

**S. 586**

Referred to the Committee on Merchant Marine and Fisheries

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1       (1) Section 302 (b) of such Act (16 U.S.C. 1451 (b) )  
2 is amended by inserting "ecological," immediately after  
3 "recreational,".

4       (2) Section 304(a) of such Act (16 U.S.C. 1453  
5 (a) ) is amended by inserting therein "islands," immediately  
6 after the words "and includes".

7       (3) Section 304 (e) of such Act (16 U.S.C. 1453 (e) )  
8 is amended by deleting "and" after "transitional areas," and  
9 inserting "and islands," after "uplands,".

10       (4) Section 304 of such Act (16 U.S.C. 1453) is  
11 amended by adding at the end thereof the following new  
12 subsections:

13       "(j) 'Energy facilities' means new facilities, or addi-  
14 tions to existing facilities—

15               "(1) which are or will be directly used in the ex-  
16 traction, conversion, storage, transfer, processing, or  
17 transporting of any energy resource; or

18               "(2) which are or will be used primarily for the  
19 manufacture, production, or assembly of equipment, ma-  
20 chinery, products, or devices which are or will be di-  
21 rectly involved in any activity described in paragraph  
22 (1) of this subsection and which will serve, impact, or  
23 otherwise affect a substantial geographical area or sub-  
24 stantial numbers of people.

25       The term includes, but is not limited to, (A) electric generat-

ing plants; (B) petroleum refineries and associated facilities;  
(C) gasification plants; liquefied natural gas storage, trans-  
fer, or conversion facilities; and uranium enrichment or nu-  
clear fuel processing facilities; (D) offshore oil and gas ex-  
ploration, development, and production facilities, including  
platforms, assembly plants, storage depots, tank farms, crew  
and supply bases, refining complexes, and any other instal-  
lation or property that is necessary or appropriate for such  
exploration, development or production; (E) facilities for  
offshore loading and marine transfer of petroleum; and (F)  
transmission and pipeline facilities, including terminals which  
are associated with any of the foregoing.

“(k) ‘Person’ has the meaning prescribed in section 1 of  
title 1, United States Code, except that the term also includes  
any State, local, or regional government; the Federal Gov-  
ernment; and any department, agency, corporation, instru-  
mentality, or other entity or official of any of the foregoing.

“(l) ‘Public facilities and public services’ means any  
services or facilities which are financed, in whole or in part,  
by State or local government. Such services and facilities in-  
clude, but are not limited to, highways, secondary roads,  
parking, mass transit, water supply, waste collection and  
treatment, schools and education, hospitals and health care,  
fire and police protection, recreation and culture, other  
human services, and facilities related thereto, and such gov-

1 ornamental services as are necessary to support any increase  
2 in population and development.”.

3 (5) Section 305 (b) of such Act (16 U.S.C. 1454 (b) )  
4 is amended by deleting the period at the end thereof and  
5 inserting in lieu thereof a semicolon, and by adding at the  
6 end thereof the following new paragraphs:

7 “(7) a definition of the term ‘beach’ and a general  
8 plan for the protection of, and access to, public beaches  
9 and other coastal areas of environmental, recreational,  
10 historical, esthetic, ecological, and cultural value;

11 “(8) planning for energy facilities likely to be lo-  
12 cated in the coastal zone, planning for and management  
13 of the anticipated impacts from any energy facility, and  
14 a process or mechanism capable of adequately conducting  
15 such planning activities.”.

16 (6) Section 305 (c) of such Act (16 U.S.C. 1454 (c) )  
17 is amended by deleting “66 $\frac{2}{3}$ ” and inserting in lieu thereof  
18 “80”, and by deleting in the first sentence thereof “three”  
19 and inserting in lieu thereof “four”.

20 (7) Section 305 (d) of such Act (16 U.S.C. 1454 (d) )  
21 is amended by—

22 (A) deleting the period at the end of the first sentence  
23 thereof and inserting in lieu thereof the following “:  
24 *Provided*, That notwithstanding any provision of this  
25 section or of section 306 no State management program

1 submitted pursuant to this subsection shall be considered  
2 incomplete, nor shall final approval thereof be delayed,  
3 on account of such State's failure to comply with any  
4 regulations that are issued by the Secretary to implement  
5 subsection (b) (7) or (b) (8) of this section, until Sep-  
6 tember 30, 1978." ; and

7 (B) deleting the period at the end thereof and insert-  
8 ing in lieu thereof the following " : *Provided, That*  
9 the State shall remain eligible for grants under this  
10 section through the fiscal year ending in 1978 for the  
11 purpose of developing a beach and coastal area access  
12 plan an energy facility planning process for its State  
13 management program, pursuant to regulations adopted  
14 by the Secretary to implement subsections (b) (7) and  
15 (b) (8) of this section."

16 (8) Section 305 (h) of such Act (16 U.S.C. 1454  
17 (h) ) is amended by deleting "June 30, 1977" and inserting  
18 in lieu thereof "September 30, 1979".

19 (9) Section 306 (a) of such Act (16 U.S.C. 1455 (a) )  
20 is amended by deleting " $66\frac{2}{3}$ " and inserting in lieu thereof  
21 "80".

22 (10) Section 306 (c) (8) of such Act (16 U.S.C. 1455  
23 (c) (8) ) is amended by adding at the end thereof the follow-  
24 ing new sentence: "In considering the national interest in-  
25 volved in the planning for and siting of such facilities which

1 are energy facilities located within a State's coastal zone, the  
2 Secretary shall further find, pursuant to regulations adopted  
3 by him, that the State has given consideration to any appli-  
4 cable interstate energy plan or program which is promul-  
5 gated by an interstate entity established pursuant to section  
6 309 of this title.”.

7 (11) Section 306 of such Act (16 U.S.C. 1455) is  
8 amended by adding at the end thereof the following new  
9 subsection:

10 “(i) As a condition of a State's continued eligibility  
11 for grants pursuant to this section, the management program  
12 of such State shall, after the fiscal year ending in 1978, in-  
13 clude, as an integral part, an energy facility planning proc-  
14 ess, which is developed pursuant to section 305 (b) (8) of  
15 this title, and approved by the Secretary, and a general  
16 plan for the protection of, and access to, public beaches and  
17 other coastal areas, which is prepared pursuant to section  
18 305 (b) (7) of this title, and approved by the Secretary.”.

19 (12) Section 307 (c) (3) of such Act (16 U.S.C. 1456  
20 (c) (3) ) is amended by (A) deleting “license or permit” in  
21 the first sentence thereof and inserting in lieu thereof “license,  
22 lease, or permit”; (B) deleting “licensing or permitting”  
23 in the first sentence thereof and inserting in lieu thereof  
24 “licensing, leasing, or permitting”; and (C) deleting “license

1 or permit" in the last sentence thereof and inserting in lieu  
2 thereof "license, lease, or permit".

3 (13) Sections 308 through 315 of such Act (16 U.S.C.  
4 1457 through 1464) are redesignated as sections 311  
5 through 318 thereof, respectively; and the following three  
6 new sections are inserted as follows:

7 "COASTAL ENERGY FACILITY IMPACT PROGRAM

8 "SEC. 308. (a) The Secretary is authorized to make a  
9 grant to a coastal State, if he determines that such State's  
10 coastal zone has been, or is likely to be, impacted by the  
11 exploration for, or the development or production of,  
12 energy resources or by the location, construction, expansion,  
13 or operation of an energy facility. Such a grant shall be for  
14 the purpose of enabling such coastal State to study and plan  
15 for the economic, environmental, and social consequences  
16 which are likely to result in such coastal zone from explora-  
17 tion for and development or production of such energy re-  
18 sources or from the location, construction, expansion, or  
19 operation of such an energy facility. The amount of such a  
20 grant may equal up to 100 percent of the cost of such study  
21 and plan, to the extent of available funds.

22 " (b) The Secretary is authorized to make a loan and/or  
23 a grant to a coastal State, if he determines, pursuant to sub-  
24 sections (d) and (e) of this section, that such State's coastal

1 zone has been or is likely to be adversely impacted by ex-  
2 ploration for or by development or production of energy  
3 resources or by the location, construction, expansion, or  
4 operation of an energy facility, if such adverse impact will  
5 result as a consequence of a license, lease, easement, or  
6 permit issued or granted by the Federal Government which  
7 permits—

8 “(1) the exploration for, or the drilling, mining,  
9 removal, or extraction of, energy resources;

10 “(2) the siting, location, construction, expansion, or  
11 operation of energy facilities by a lessee, licensee, or per-  
12 mittee; or

13 “(3) the siting, location, construction, expansion, or  
14 operation of energy facilities by or for the United States  
15 Government.

16 The proceeds of such a loan or grant shall be used for—

17 “(A) projects which are designed to reduce, amelio-  
18 rate, or compensate for the net adverse impacts; and/or

19 “(B) projects which are designed to provide new or  
20 additional public facilities and public services which are  
21 made necessary, directly or indirectly, by the location,  
22 construction, expansion, or operation of such an energy  
23 facility or energy resource exploration, development or  
24 production.

25 The amount of such a loan or grant may equal up to 100



1 percent of the cost of such a project, to the extent of avail-  
2 able funds.

3 “(c) (1) The Secretary may make a grant to a coastal  
4 State for a purpose specified in subsection (b) of this section,  
5 if he determines that such State will suffer net adverse im-  
6 pacts in its coastal zone, as a result of exploration for, or  
7 development and production of, energy resources; as a result  
8 of the location, construction, expansion, or operation of an  
9 energy facility over the course of the projected or anticipated  
10 useful life of such energy facility; or as a result of explora-  
11 tion, development, or production activity.

12 “(2) The Secretary may make a loan to a coastal State  
13 for a purpose specified in subsection (b) of this section, if  
14 the Secretary determines that such State will experience tem-  
15 porary adverse impacts as a result of exploration for, or de-  
16 velopment or production of, energy resources or as a result  
17 of the location, construction, expansion, or operation of an  
18 energy facility if such facility or such energy resource ex-  
19 ploration, development or production is expected to produce  
20 net benefits for such State over the course of its projected or  
21 anticipated useful life. No such loan, including any renewal or  
22 extension of a loan, shall be made for a period exceeding 40  
23 years. The Secretary shall from time to time establish the  
24 interest rate or rates at which loans shall be made under

1 this subsection, but such rate shall not exceed an annual per-  
2 centage rate of 7 percent. The borrower shall pay such fees  
3 and other charges as the Secretary may require. The Sec-  
4 retary may waive repayment of all or any part of a loan  
5 made under this subsection, including interest, if the State  
6 involved demonstrates, to the satisfaction of the Secretary,  
7 that due to a change in circumstances there are anticipated  
8 or resultant net adverse impacts over the life of an energy  
9 facility or energy resource exploration, development or pro-  
10 duction which would qualify the State for a grant pursuant  
11 to paragraph (1) of this subsection.

12 “(d) The Secretary shall, by regulations promulgated  
13 in accordance with section 553 of title 5, United States Code,  
14 establish requirements for grant and loan eligibility pursuant  
15 to this section. Such requirements shall include criteria, which  
16 may include a formula, for calculating the amount of a grant  
17 or loan based upon the difference, to the State involved be-  
18 tween the benefits and the costs which are attributable to the  
19 exploration for or development and production of energy  
20 resources or to the location, construction, expansion, or opera-  
21 tion of an energy facility. Such criteria shall insure that  
22 grants and loans under this section relating to impacts re-  
23 sulting from the exploration, developmnet and production,  
24 and related energy facilities shall receive first priority among  
25 competing applications. Such regulations shall provide that

1 a State is eligible for a grant or loan upon a finding by the  
2 Secretary that such State—

3 “(1) is receiving a program development grant  
4 under section 305 of this title or is engaged in such  
5 program development in a manner consistent with the  
6 goals and objectives of this Act, as determined by the  
7 Secretary, and is making satisfactory progress, as de-  
8 termined by the Secretary, toward the development of  
9 a coastal zone management program, or that it has an  
10 approved such program pursuant to section 306 of this  
11 title;

12 “(2) has demonstrated to the satisfaction of the  
13 Secretary that it has suffered, or is likely to suffer, net  
14 adverse impacts, according to the criteria or formula  
15 promulgated by the Secretary, and has provided all  
16 information required by the Secretary to calculate the  
17 amount of the grant or loan; and

18 “(3) has demonstrated to the satisfaction of the Sec-  
19 retary and has provided adequate assurances that the  
20 proceeds of such grant or loan will be used in a manner  
21 that will be consistent with the coastal zone management  
22 program being developed by it, or with its approved pro-  
23 gram, pursuant to section 305 or 306 of this title,  
24 respectively.

25 “(e) Within 180 days after approval of this Act, the

1 Secretary shall issue regulations prescribing criteria in ac-  
2 cordance with this Act for determining the eligibility of a  
3 coastal State for grants pursuant to subsections (a), (b), and  
4 (c) (1) of this section, and regulations for determining the  
5 amount of such grant or loan, in accordance with the fol-  
6 lowing provisions:

7 “(1) The regulations shall specify the means and  
8 criteria by which the Secretary shall determine whether  
9 a State’s coastal zone has been, or is likely to be, ad-  
10 versely impacted, as defined in this section, and the  
11 means and criteria by which ‘net adverse impacts’ and  
12 ‘temporary adverse impacts’ will be determined.

13 “(2) Regulations for grants pursuant to subsection  
14 (a) of this section for studying and planning, shall in-  
15 clude appropriate criteria for the activities for which  
16 funds will be provided under such subsection, including  
17 a general range of activities for which a coastal State  
18 may request funds.

19 “(3) Regulations for grants and/or loans for proj-  
20 ects pursuant to subsections (b) and (c) of this section  
21 shall specify criteria for determining—

22 “(A) the amounts which will be provided for  
23 such projects; and

24 “(B) guidelines and procedures for evaluating

1           those projects which each coastal State considers to  
2           be most needed.

3           “(4) Regulations for loans shall provide for such  
4           security as the Secretary deems necessary, if any, to pro-  
5           tect the interests of the United States and for such terms  
6           and conditions as give assurance that such loans will  
7           be repaid within the time fixed.

8           “(5) In all cases, each recipient of financial as-  
9           sistance under this section shall keep such records as the  
10          Secretary shall prescribe, including records which fully  
11          disclose the amount and disposition by such recipient of  
12          the proceeds of such assistance, the total cost of the proj-  
13          ect or undertaking in connection with which such assist-  
14          ance was given or used, and such other records as will  
15          facilitate an effective audit. The Secretary and the Comp-  
16          troller General of the United States, or any of their duly  
17          authorized representatives, shall until the expiration of  
18          3 years after the completion of the project or undertaking  
19          involved (or repayment of a loan, in such cases) have  
20          access for the purpose of audit and examination to any  
21          books, documents, papers, and records of such recipients  
22          which, in the opinion of the Secretary or the Comptroller  
23          General may be related or pertinent to any financial  
24          assistance received pursuant to this section.

1           “(6) In developing regulations under this section,  
2           the Secretary shall consult with the appropriate Federal  
3           agencies, with representatives of appropriate State and  
4           local governments, commercial and industrial organiza-  
5           tions, public and private groups, and any other appro-  
6           priate organizations with knowledge or concerns regard-  
7           ing net adverse impacts that may be associated with the  
8           energy facilities affecting the coastal zone.

9           “(f) A coastal State may, for the purpose of carrying  
10          out the provisions of this section and with the approval of the  
11          Secretary, allocate all or a portion of any grant or loan  
12          received under this section to (1) a local government; (2)  
13          an areawide agency designated under section 204 of the  
14          Demonstration Cities and Metropolitan Development Act of  
15          1966; (3) a regional agency; or (4) an interstate agency:  
16          *Provided*, That such allocation shall not relieve such State  
17          of the responsibility for insuring that any funds so allocated  
18          shall be applied in furtherance of the purposes of this section.

19          “(g) A coastal State which has experienced net adverse  
20          impacts in its coastal zone as a result of the development or  
21          production of energy resources or as a result of the location,  
22          construction, expansion, or operation of energy facilities  
23          within 3 years prior to the date of enactment of this section  
24          is entitled to receive from the Secretary grants or loans pur-  
25          suant to subsections (a) and (b) of this section to the same

1 extent as if such net adverse impacts were experienced after  
2 the date of enactment, and to the extent necessary to reduce  
3 or ameliorate or compensate for such net adverse impacts,  
4 within the limit of available funds. This subsection shall ex-  
5 pire 5 years from the date of enactment of this section.

6 “(h) All funds allocated to the Secretary for the pur-  
7 poses of this section, except those funds made available pur-  
8 suant to subsection (k), shall be deposited in a fund which  
9 shall be known as the Coastal Energy Facility Impact Fund.  
10 This fund shall be administered and used by the Secretary  
11 as a revolving fund for carrying out such purposes. General  
12 expenses of administering this section may be charged to this  
13 fund. Moneys in this fund may be deposited in interest-bear-  
14 ing accounts or invested in bonds or other obligations which  
15 are guaranteed as to principal and interest by the United  
16 States.

17 “(i) In calculating the amount of a grant or loan, the  
18 Secretary shall give adequate consideration to the recom-  
19 mendations of a Coastal Impacts Review Board. Such Board  
20 shall consist of two members designated by the Secretary,  
21 one member designated by the Secretary of the Interior, one  
22 member designated by the Council on Environmental  
23 Quality, and four members appointed by the President as  
24 designated by the National Governors’ Conference. Such  
25 Board shall recommend the award of grants or loans upon

1 a determination of net adverse impacts and following the  
2 procedures and criteria set forth in this section.

3 “(j) Nothing in this section shall be construed to  
4 modify or abrogate the consistency requirements of section  
5 307 of this Act.

6 “(k) The Secretary shall, in addition to any financial  
7 assistance provided to, or available to, coastal States pursu-  
8 ant to any other subsection of this section, distribute grants  
9 annually in accordance with the provisions of this subsec-  
10 tion. The moneys received under this subsection shall be  
11 expended by each State receiving such grants solely for  
12 the purpose of reducing or ameliorating adverse impacts  
13 resulting from the exploration for, or the development or  
14 production of, energy resources or resulting from the location,  
15 construction, expansion, or operation of a related energy  
16 facility and/or for projects designed to provide new or addi-  
17 tional public facilities and public services which are related  
18 to such exploration, development, production, location, con-  
19 struction, expansion, or operation, except that such grants  
20 shall initially be designated by each receiving State to retire  
21 State and local bonds, if any, which are guaranteed under  
22 section 316 of this Act: *Provided*, That, if the amount of such  
23 grants is insufficient to retire both State and local bonds,  
24 priority shall be given to retiring local bonds. Subject to the  
25 foregoing expenditure requirements, each coastal State shall



1 be entitled to receive a grant under this subsection if such  
 2 State is, on the first day of the fiscal year—

3 “(1) adjacent to Outer Continental Shelf lands on  
 4 which oil or natural gas is being produced; or

5 “(2) permitting crude oil or natural gas to be  
 6 landed in its coastal zone: *Provided*, That such crude  
 7 oil or natural gas has been produced on adjacent Outer  
 8 Continental Shelf lands of such State or on Outer Con-  
 9 tinental Shelf lands which are adjacent to another State  
 10 and transported directly to such State. In the event that  
 11 a State is landing oil or natural gas produced adjacent  
 12 to another State, the landing State shall be eligible for  
 13 grants under this subsection at a rate half as great as  
 14 that to which it would be eligible in any given year if  
 15 the oil were produced adjacent to the landing State. In the  
 16 event that a State is adjacent to Outer Continental Shelf  
 17 lands where oil or natural gas is produced, but such oil  
 18 or natural gas is landed in another State, the adjacent  
 19 State shall be eligible for grants under this subsection  
 20 at a rate half as great as that to which it would be  
 21 eligible in any given year if the oil or natural gas pro-  
 22 duced adjacent to that State were also landed in that  
 23 State.

24 Such States shall become eligible to receive such automatic  
 25 grants in the first year that the amount of such oil or natural

1 gas landed in the State or produced on Outer Continental  
2 Shelf lands adjacent to the State (as determined by the  
3 Secretary) exceeds a volume of 100,000 barrels per day of  
4 oil or an equivalent volume of natural gas. There are author-  
5 ized to be appropriated for this purpose sufficient funds to  
6 provide such States with grants in the amount of 20 cents  
7 per barrel or its equivalent during the first year, 15 cents per  
8 barrel or its equivalent during the second year, 10 cents per  
9 barrel or its equivalent during the third year, and 8 cents per  
10 barrel or its equivalent during the fourth and all succeeding  
11 years during which oil or gas is landed in such a State or  
12 produced on Outer Continental Shelf lands adjacent to such  
13 a State: *Provided*, That (A) such funds shall not exceed  
14 \$100,000,000 for the fiscal year ending June 30, 1976;  
15 \$25,000,000 for the fiscal quarter ending September 30,  
16 1976; \$100,000,000 for the fiscal year ending Septem-  
17 ber 30, 1977; and \$100,000,000 for the fiscal year ending  
18 September 30, 1978; and (B) such funds shall be limited  
19 to payments for the first one and one-half million barrels of  
20 oil (or its gas equivalent) per day per State for the 10 suc-  
21 ceeding fiscal years. The amount of such grant to each such  
22 State in any given year shall be calculated on the basis of the  
23 previous year's volume of oil or natural gas landed in the  
24 State or produced adjacent to the State. For the purposes of

1 this section, one barrel of crude oil equals 6,000 cubic feet  
2 of natural gas.

3 “(l) Any funds provided to any State under this section  
4 not expended in accordance with the purposes authorized  
5 herein shall be returned to the Treasury by such State.

6 “(m) There are hereby authorized to be appropriated  
7 to the Coastal Energy Facility Impact Fund such sums not  
8 to exceed \$200,000,000 for the fiscal year ending June 30,  
9 1976, not to exceed \$50,000,000 for the transitional fiscal  
10 quarter ending September 30, 1976, not to exceed \$200,-  
11 000,000 for the fiscal year ending September 30, 1977,  
12 and not to exceed \$200,000,000 for the fiscal year ending  
13 September 30, 1978, as may be necessary, for grants and/or  
14 loans under this section, to remain available until expended.  
15 No more than 25 percent of the total amount appropriated  
16 to such fund for a particular fiscal year shall be used for the  
17 purposes set forth in subsection (a) of this section.

18 “(n) Section 35 of the Act of February 25, 1920 (41  
19 Stat. 450), as amended (30 U.S.C. 191), is further amended  
20 by deleting ‘52½ per centum thereof shall be paid into,  
21 reserved’ and inserting in lieu thereof: ‘30 per centum  
22 thereof shall be paid into, reserved’, and is further amended  
23 by striking the period at the end of the provision and insert-  
24 ing in lieu thereof the following language: ‘*And provided*

1 *further*, That an additional  $22\frac{1}{2}$  per centum of all moneys  
2 received from sales, bonuses, royalties, and rentals of public  
3 lands under the provisions of this chapter shall be paid by  
4 the Secretary of the Treasury as soon as practicable after  
5 December 31 and June 30 of each year to the State within  
6 the boundaries of which the leased lands or deposits are  
7 or were located; said additional  $22\frac{1}{2}$  per centum of all  
8 moneys paid to any State on or after January 1, 1976,  
9 shall be used by such State and its subdivisions as the legis-  
10 lature of the State may direct giving priority to those sub-  
11 divisions of the State socially or economically impacted by  
12 development of minerals leased under this Act for (1) plan-  
13 ning, (2) construction and maintenance of public facilities,  
14 and (3) provision of public services.

15 "INTERSTATE COORDINATION GRANTS TO STATES

16 "SEC. 309. (a) The States are encouraged to give high  
17 priority (1) to coordinating State coastal zone planning,  
18 policies, and programs in contiguous interstate areas, and  
19 (2) to studying, planning, and/or implementing unified  
20 coastal zone policies in such areas. The States may conduct  
21 such coordination, study, planning, and implementation  
22 through interstate agreement or compacts. The Secretary is  
23 authorized to make annual grants to the coastal States, not to  
24 exceed 90 percent of the cost of such coordination, study,  
25 planning, or implementation, if the Secretary finds that each

1 coastal State receiving a grant under this section will use  
2 such grants for purposes consistent with the provisions of sec-  
3 tions 305 and 306 of this title.

4 “(b) The consent of the Congress is hereby given to two  
5 or more States to negotiate and enter into agreements or com-  
6 pacts, not in conflict with any law or treaty of the United  
7 States, for (1) developing and administering coordinated  
8 coastal zone planning, policies, and programs, pursuant to  
9 sections 305 and 306 of this title, and (2) the establishment  
10 of such agencies, joint or otherwise, as the States may deem  
11 desirable for making effective such agreements and compacts.  
12 Such agreement or compact shall be binding and obligatory  
13 upon any State or party thereto without further approval by  
14 Congress.

15 “(c) Each executive instrumentality which is established  
16 by an interstate agreement or compact pursuant to this sec-  
17 tion is encouraged to establish a Federal-State consultation  
18 procedure for the identification, examination, and cooperative  
19 resolution of mutual problems with respect to the marine  
20 and coastal areas which affect, directly or indirectly, the  
21 applicable coastal zone. The Secretary, the Secretary of the  
22 Interior, the Chairman of the Council on Environmental  
23 Quality, and the Administrator of the Environmental Pro-  
24 tection Agency, the Administrator of the Federal Energy  
25 Administration, or their designated representatives, are au-

1   thorized and directed to participate ex officio on behalf of the  
2   Federal Government, whenever any such Federal-State con-  
3   sultation is requested by such an instrumentality.

4       “(d) Prior to establishment of an interstate agree-  
5   ment or compact pursuant to this section, the Secretary  
6   is authorized to make grants to a multistate instrumen-  
7   tality or to a group of States for the purpose of creating  
8   temporary ad hoc planning and coordinating entities to—

9       “(1) coordinate State coastal zone planning, poli-  
10   cies, and programs in contiguous interstate areas;

11       “(2) study, plan, and/or implement unified coastal  
12   zone policies in such interstate areas; and

13       “(3) provide a vehicle for communication with Fed-  
14   eral officials with regard to Federal activities affecting the  
15   coastal zone of such interstate areas.

16   The amount of such grants shall not exceed 90 percent of  
17   the cost of creating and maintaining such an entity. The  
18   Secretary, the Secretary of the Interior, the Chairman of the  
19   Council on Environmental Quality, and the Administrator  
20   of the Environmental Protection Agency, or their designated  
21   representatives, are authorized and directed to participate  
22   ex officio on behalf of the Federal Government, upon the  
23   request of the parties to such ad hoc planning and coordi-  
24   nating entities. This subsection shall become void and cease

1 to have any force or effect 5 years after the date of enact-  
2 ment of this title.

3 “COASTAL RESEARCH AND TECHNICAL ASSISTANCE

4 “SEC. 310. (a) In order to facilitate the realization of  
5 the purposes of this Act, the Secretary is authorized to  
6 encourage and to support private and public organizations  
7 concerned with coastal zone management in conducting re-  
8 search and studies relevant to coastal zone management.

9 “(b) The Secretary is authorized to conduct a program  
10 of research, study, and training to support the development  
11 and implementation of State coastal zone management pro-  
12 grams. Each department, agency, and instrumentality of  
13 the executive branch of the Federal Government shall assist  
14 the Secretary, upon his written request, on a reimbursable  
15 basis or otherwise, in carrying out the purposes of this sec-  
16 tion, including the furnishing of information to the extent  
17 permitted by law, the transfer of personnel with their con-  
18 sent and without prejudice to their position and rating, and  
19 in the actual conduct of any such research, study, and train-  
20 ing so long as such activity does not interfere with the per-  
21 formance of the primary duties of such department, agency,  
22 or instrumentality. The Secretary may enter into contracts  
23 and other arrangements with suitable individuals, business  
24 entities, and other institutions or organizations for such pur-

1 poses. The Secretary shall make the results of research  
2 conducted pursuant to this section available to any interested  
3 person. The Secretary shall include, in the annual report  
4 prepared and submitted pursuant to this Act, a summary and  
5 evaluation of the research, study, and training conducted  
6 under this section.

7 “(c) The Secretary is authorized to assist the coastal  
8 States to develop their own capability for carrying out short-  
9 term research, studies, and training required in support of  
10 coastal zone management. Such assistance may be provided  
11 by the Secretary in the form of annual grants. The amount  
12 of such a grant to a coastal State shall not exceed 80 percent  
13 of the cost of developing such capability.”.

14 (14) Section 316, as redesignated, of such Act (16  
15 U.S.C. 1462) is amended by amending subsection (a)  
16 thereof as follows: (A) deleting “and” at the end of  
17 paragraph (8) thereof immediately after the semicolon; (B)  
18 renumbering paragraph (9) thereof as paragraph (11)  
19 thereof; and (C) inserting the following two new para-  
20 graphs:

21 “(9) a general description of the economic, envi-  
22 ronmental, and social impacts of the development or  
23 production of energy resources or the siting of energy  
24 facilities affecting the coastal zone;

25 “(10) a description and evaluation of interstate and



1 regional planning mechanisms developed by the coastal  
2 States; and ”.

3 (15) Section 318, as redesignated, of such Act (16  
4 U.S.C. 1464) is further redesignated and amended to read  
5 as follows:

6 “AUTHORIZATION FOR APPROPRIATIONS

7 “SEC. 320. (a) There are authorized to be appro-  
8 priated—

9 “(1) the sum of \$20,000,000 for the fiscal year  
10 ending June 30, 1976, \$5,000,000 for the transitional  
11 fiscal quarter ending September 30, 1976, \$20,000,000  
12 for the fiscal year ending September 30, 1977, \$20,000,-  
13 000 for the fiscal year ending September 30, 1978, and  
14 \$20,000,000 for the fiscal year ending September 30,  
15 1979, for grants under section 305 of this Act, to remain  
16 available until expended;

17 “(2) such sums, not to exceed \$50,000,000 for the  
18 fiscal year ending June 30, 1976, \$12,500,000 for the  
19 transitional fiscal quarter ending September 30, 1976,  
20 \$50,000,000 for the fiscal year ending September 30,  
21 1977, \$50,000,000 for the fiscal year ending Septem-  
22 ber 30, 1978, \$50,000,000 for the fiscal year ending  
23 September 30, 1979, and \$50,000,000 for the fiscal  
24 year ending September 30, 1980, as may be necessary,

1       for grants under section 306 of this Act, to remain  
2       available until expended;

3           “(3) such sums, not to exceed \$5,000,000 for the  
4       fiscal year ending June 30, 1976, \$1,200,000 for the  
5       transitional fiscal quarter ending September 30, 1976,  
6       \$5,000,000 for the fiscal year ending September 30, 1977,  
7       \$5,000,000 for the fiscal year ending September 30,  
8       1978, \$5,000,000 for the fiscal year ending Septem-  
9       ber 30, 1979, \$5,000,000 for the fiscal year ending  
10      September 30, 1980, and \$5,000,000 for each of the  
11      fiscal years ending September 30, 1981, September 30,  
12      1982, September 30, 1983, September 30, 1984, and  
13      September 30, 1985, as may be necessary, for grants  
14      under section 309 of this Act, to remain available until  
15      expended;

16           “(4) such sums, not to exceed \$5,000,000 for the  
17      fiscal year ending June 30, 1976, \$1,200,000 for the  
18      transitional fiscal quarter ending September 30, 1976,  
19      \$5,000,000 for the fiscal year ending September 30,  
20      1977, \$5,000,000 for the fiscal year ending September  
21      30, 1978, \$5,000,000 for the fiscal year ending Septem-  
22      ber 30, 1979, \$5,000,000 for the fiscal year ending  
23      September 30, 1980, and \$5,000,000 for each of the  
24      fiscal years ending September 30, 1981, September 30,  
25      1982, September 30, 1983, September 30, 1984, and

1 September 30, 1985, as may be necessary, for financial  
2 assistance under section 310 (b) of this Act, to remain  
3 available until expended;

4 “(5) such sums, not to exceed \$5,000,000 for the  
5 fiscal year ending June 30, 1976, \$1,200,000 for the  
6 transitional fiscal quarter ending September 30, 1976,  
7 \$5,000,000 for the fiscal year ending September 30,  
8 1977, \$5,000,000 for the fiscal year ending September  
9 30, 1978, \$5,000,000 for the fiscal year ending Septem-  
10 ber 30, 1979, \$5,000,000 for the fiscal year ending  
11 September 30, 1980, and \$5,000,000 for each of the  
12 fiscal years ending September 30, 1981, September 30,  
13 1982, and September 30, 1983, September 30, 1984, and  
14 September 30, 1985, as may be necessary, for financial  
15 assistance under section 310 (c) of this Act, to remain  
16 available until expended;

17 “(6) the sum of \$50,000,000 for the fiscal year  
18 ending June 30, 1976, \$12,500,000 for the transitional  
19 fiscal quarter ending September 30, 1976, \$50,000,-  
20 000 for the fiscal year ending September 30, 1977,  
21 \$50,000,000 for the fiscal year ending September 30,  
22 1978, \$50,000,000 for the fiscal year ending Septem-  
23 ber 30, 1979, \$50,000,000 for the fiscal year ending  
24 September 30, 1980, and \$50,000,000 for each of the  
25 fiscal years ending September 30, 1981, September 30,

1       1982, September 30, 1983, September 30, 1984, and  
2       September 30, 1985, for the acquisition of lands to pro-  
3       vide for the protection of, and access to, public beaches  
4       and for the preservation of islands under section 306  
5       (d) (2) of this Act, to remain available until expended;  
6       and

7               “(7) such sums, not to exceed \$10,000,000 for the  
8       fiscal year ending June 30, 1976, \$2,500,000 for the  
9       transitional fiscal quarter ending September 30, 1976,  
10       \$10,000,000 for the fiscal year ending September 30,  
11       1977, \$10,000,000 for the fiscal year ending Septem-  
12       ber 30, 1978, \$10,000,000 for the fiscal year ending  
13       September 30, 1979, \$10,000,000 for the fiscal year  
14       ending September 30, 1980, and \$10,000,000 for each  
15       of the fiscal years ending September 30, 1981, Septem-  
16       ber 30, 1982, September 30, 1983, September 30,  
17       1984, and September 30, 1985, as may be necessary,  
18       for grants under section 315 of this Act, to remain avail-  
19       able until expended.

20               “(b) There are also authorized to be appropriated such  
21       sums, not to exceed \$5,000,000 for the fiscal year ending  
22       June 30, 1976, \$1,200,000 for the transitional fiscal quarter  
23       ending September 30, 1976, \$5,000,000 for the fiscal year  
24       ending September 30, 1977, \$5,000,000 for the fiscal year  
25       ending September 30, 1978, \$5,000,000 for the fiscal year

1 ending September 30, 1979, and \$5,000,000 for the fiscal  
2 year ending September 30, 1980, as may be necessary, for  
3 administrative expenses incident to the administration of this  
4 Act.”.

5 (16) The Coastal Zone Management Act of 1972, as  
6 amended (16 U.S.C. 1451 et seq.) is amended by inserting  
7 therein the following two new sections:

8 “LIMITATIONS

9 “SEC. 318. Nothing in this Act shall be construed to  
10 require the approval of the Secretary as to any State land  
11 or water use decision pertaining to individual cases, includ-  
12 ing, but not limited to, the siting of energy facilities, as a  
13 prerequisite to such States’ eligibility for grants or loans  
14 under this Act.

15 “STATE AND LOCAL GOVERNMENT BOND GUARANTEES

16 “SEC. 319. (a) The Secretary is authorized, subject to  
17 such terms and conditions as the Secretary prescribes, to make  
18 commitments to guarantee and to guarantee against loss of  
19 principal or interest the holders of bonds or other evidences  
20 of indebtedness issued by a State or local government to re-  
21 duce, ameliorate or compensate the adverse impacts in the  
22 coastal zone resulting from or likely to result from the ex-  
23 portation for, or the development of production of energy re-  
24 sources of the Outer Continental Shelf.

25 “(b) The Secretary shall prescribe and collect a guaran-

1    fee in connection with guarantees made pursuant to this  
2    section. Such fees shall not exceed such amounts as the Secre-  
3    tary estimates to be necessary to cover the administrative costs  
4    of carrying out the provisions of this section. Sums realized  
5    from such fees shall be deposited in the Treasury as miscel-  
6    laneous receipts.

7        “(c) (1) Payments required to be made as a result of  
8    any guarantee pursuant to this section shall be made by the  
9    Secretary of the Treasury from funds hereby authorized to  
10   be appropriated in such amounts as may be necessary for such  
11   purpose.

12        “(2) If there is a default by a State or local govern-  
13   ment in any payment of principal or interest due under a  
14   bond or other evidence of indebtedness guaranteed by the  
15   Secretary pursuant to this section, any holder of such a bond  
16   or other evidence of indebtedness may demand payment by  
17   the Secretary of the unpaid interest on and the unpaid  
18   principal of such obligation as they become due. The Secre-  
19   tary, upon investigation, shall pay such amounts to such  
20   holders, unless the Secretary finds that there was no default  
21   by the State or local government involved or that such de-  
22   fault has been remedied. If the Secretary makes a payment  
23   under this paragraph, the United States shall have a right of  
24   reimbursement against the State or local government in-  
25   volved for the amount of such payment plus interest at

1 prevailing rates. Such right of reimbursement may be satis-  
2 fied by the Secretary by treating such amount as an offset  
3 against any revenues due or to become due to such State  
4 or local government under section 308 (k) of this Act, and  
5 the Attorney General, upon the request of the Secretary,  
6 shall take such action as is, in the Secretary's discretion,  
7 necessary to protect the interests of the United States, in-  
8 cluding the recovery of previously paid funds that were not  
9 applied as provided in this Act. However, if the funds ac-  
10 crued by or due to the State in automatic grants under  
11 section 308 (k) of this Act are insufficient to reimburse the  
12 Federal Government in full for funds paid under this section  
13 to retire either the principal or interest on the defaulted  
14 bonds, the Secretary's right of reimbursement shall be  
15 limited to the amount of such automatic grants accrued  
16 or due. Funds accrued in automatic grants under section  
17 308 (k) of this Act subsequent to default shall be applied  
18 by the Secretary toward the reimbursement of the obligation  
19 assumed by the Federal Government."

20 SEC. 103. (a) There shall be in the National Oceanic  
21 and Atmospheric Administration an Associate Administrator  
22 for Coastal Zone Management who shall be appointed by the  
23 President, by and with the advice and consent of the Senate.  
24 Such Associate Administrator shall be a qualified individual  
25 who is, by reason of background and experience, especially

1 qualified to direct the implementation and administration of  
2 this Act. Such Associate Administrator shall be compen-  
3 sated at the rate now or hereafter provided for level V of the  
4 Executive Schedule Pay Rates (5 U.S.C. 5316).

5 (b) Section 5316 of title 5, United States Code, is  
6 amended by adding at the end thereof the following new  
7 paragraph:

8 “(135) Associate Administrator for Coastal Zone Man-  
9 agement, National Oceanic and Atmospheric Administra-  
10 tion.”.

11 SEC. 104. Nothing in this Act shall be construed to  
12 modify or abrogate the consistency requirements of section  
13 307 of the Coastal Zone Management Act of 1972.

Passed the Senate July 16 (legislative day, July 10),  
1975.

Attest:

FRANCIS R. VALEO,

*Secretary.*



94TH CONGRESS  
1st Session

**S. 586**

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**AN ACT**

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To amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy facility and resource development which affects the coastal zone, and for other purposes.

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JULY 17, 1975

Referred to the Committee on Merchant Marine and Fisheries